

GOVDOC

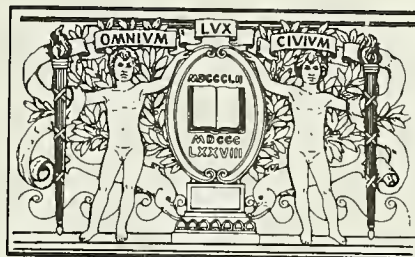
BRA

4453

BOSTON PUBLIC LIBRARY



3 9999 06584 597 4



BOSTON
PUBLIC
LIBRARY



INDEX TO PROPOSED LEGISLATION

BOSTON HARBOR CONSERVATION AND DEVELOPMENT ACT

Section	Title
1	STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSES
2-1	ACCELERATED ACQUISITION
2-2	TIDELANDS LICENSE
2-3	ADMINISTRATION
2-4	CAPITAL OUTLAY
2-5	FEDERAL FUNDS
2-6	PLANNING
2-7	SEVERABILITY
2-8	POWERS OF OTHER AGENCIES
2-9	DEFINITION OF AREA
3-1	DEFINITIONS
3-2	INNER HARBOR LANDS; ECONOMIC DEVELOPMENT LANDS
3-3	BOSTON INNER HARBOR CONSERVATION AND ECONOMIC DEVELOPMENT CORPORATION
3-4	POWERS OF THE CORPORATION
3-5	SUBSIDIARY: BOSTON ECONOMIC DEVELOPMENT CORPORATION
3-6	DESIGNATION OF CERTAIN INNER HARBOR LANDS AND ECONOMIC DEVELOPMENT LANDS
3-7	COOPERATION WITH THE COMMUNITY
3-8	POLLUTION ABATEMENT AND CONTROL
3-9	LAND USE IN THE BOSTON INNER HARBOR
3-10	ADMINISTRATION OF LAND AND PROJECTS UNDER AGREEMENT WITH THE CITY AND OTHER PUBLIC AGENCIES
3-11	ACQUISITION OF REAL PROPERTY
3-12	ACQUISITION OF REAL PROPERTY FROM THE CITY OF BOSTON AND PUBLIC AGENCIES

STAFF DRAFT
FOR
REVIEW ONLY

BIND

Index (cont'd)

Section	Title
3-13	SALE OR LEASE OF PROJECTS
3-14	BONDS AND NOTES OF THE CORPORATION
3-15	BOND AUTHORIZATION
3-16	SECURITY FOR BONDS OR NOTES
3-17	RESERVE FUNDS
3-18	TRUST FUNDS
3-19	EXEMPTION FROM TAXATION
3-20	AGREEMENT WITH THE COMMONWEALTH
3-21	REMEDIES OF NOTEHOLDERS AND BONDHOLDERS
3-22	APPROPRIATIONS
3-23	CONSTRUCTION
3-24	SEPARABILITY

1970

PROPOSED LEGISLATION

THE COMMONWEALTH OF MASSACHUSETTS

In the Year One Thousand Nine Hundred and Seventy

AN ACT PROVIDING FOR AN ACCELERATED PROGRAM OF LAND ACQUISITION
AND A PROGRAM OF DEVELOPMENT TO CREATE THE BOSTON HARBOR
RECREATION, CONSERVATION, AND DEVELOPMENT PROGRAM.

Be it enacted by the Senate and House of Representatives in
General Court assembled, and by the authority of the same, as
follows:

SECTION 1. Statement of Legislative Findings and Purposes.

- It is hereby declared that the public interest in the islands, shoreline and waters of Boston harbor is in their beneficial use for a variety of purposes; that certain islands in Boston harbor constitute a unique natural resource of great value to the people of the commonwealth for the purpose of providing increased opportunities for public outdoor recreation close to the heart of a congested urban area, for the purpose of proper conservation and utilization of natural resources, and for the purpose of providing opportunities for development of maximum public benefit in alleviating the complex social problems of the urban metropolitan area; that the public has an interest in the islands and waters as a resource of the entire metropolitan area; that the harbor is a single body of water that can be used for many purposes; that certain islands, hereafter called outer islands, consisting of all those islands in Boston Harbor, except Thompson, Long, Deer and Spectacle Islands, constitute a unique natural resource for the purpose of providing increased opportunities for water-oriented public outdoor recreation and for the proper conservation and utilization of natural resources; that certain other islands, hereafter called Inner Islands, consisting of Thompson, Long, Deer and Spectacle Islands, constitute a natural resource of great value for the provision of intensive development for public outdoor recreation facilities and compatible uses readily accessible to the population of the urban metropolitan area; and that the harbor operates as a delicate physical mechanism in which changes that affect one part of the harbor may also affect all other parts.



Digitized by the Internet Archive
in 2011 with funding from
Boston Public Library

<http://www.archive.org/details/actprovidingfora00bost>

It is further declared that, unless affirmative action is taken, these objects will not be realized and these lands will remain or become a blighted area or blighted open-area and detrimental to the safety, health, morals, welfare or sound growth of the area, because the present uncoordinated, haphazard manner in which the islands and waters of Boston Harbor are being used threatens the natural resource itself and is therefore inimical to the welfare of both present and future residents of the commonwealth; that while some individual projects may be necessary and desirable for the needs of the entire metropolitan area, and while some cities and towns may have prepared detailed master plans for their own harbor lands and waters, the fact remains that no governmental mechanism exists for evaluating individual projects as to their effect on the entire harbor area; that further piecemeal development of the harbor area may place serious restrictions on the use of the area, may destroy the irreplaceable feeding and breeding grounds of fish and wildlife in the harbor area, may further adversely affect the quality of harbor waters and even the quality of air in the area, and would therefore be harmful to the needs of the present and future residents of the commonwealth; that it is unduly costly to develop the area soundly through the ordinary operations of private enterprise by reason of problems of access, by reason of existence of unsuitable soil or other geologic or physical conditions; by reason of the need for unduly expensive foundations, causeways, retaining walls, or unduly expensive measures for water proofing structures or for filling or draining the area, or for the prevention of the flooding thereof or storm damage thereto, or for unduly expensive measures incident to building around or over rights of way and navigational channels in the area, or for otherwise making the area appropriate for sound development; or by reason of deterioration of site improvements of facilities, location of public facilities or operations which by reason of abandonment, obsolescence, present use or otherwise detract from the optimum use of the area, diversity of ownership and control among public agencies, and private owners, or inadequacy of transportation facilities or other utilities; or by reason of the difficulties of ensuring development which will not endanger public welfare by harming the ecological values of benefit to the public, or by reason of tax and special assessment delinquencies; or because there has been a substantial change in economic conditions or practices, or an abandonment or cessation of a previous use, or by reason of any combination of the foregoing or other conditions.

It is further found and declared that there are in the City of Boston, the center of the principal urban area in the commonwealth, large areas of land on and near Boston Harbor, hereafter called inner harbor lands, which are substantially non-residential and require comprehensive development for new jobs, homes and recreational sites, and which may be lost to the city and the commonwealth through piecemeal reclamation and unplanned development

that the inner harbor lands contain uses such as railroad yards, navy yards, wharves, docks, industrial and commercial facilities and vacant lands which are obsolete, dilapidated, substandard, and blighted; that these land areas are substandard and blighted; that comprehensive development of these areas for industrial, commercial, residential and other uses, due to their location in the heart of Boston and of its metropolitan area, with its urgent need for industrial, commercial, residential and public recreational and other uses, can no longer be deferred; that such development requires the cooperation of public agencies and private enterprise; and that the unaided efforts of private enterprise have not met and cannot meet the needs of providing such uses, due to problems encountered in assembling suitable building sites, the unavailability of private capital for development and the inability of private enterprise alone to plan, finance and coordinate industrial and commercial development with residential developments for persons and families of low income and with public services and transportation facilities.

It is further found and declared that there are in the City of Boston other lands, hereafter called economic development lands, which are substantially non-residential which require development for manufacturing and other commercial uses; that such lands are vacant or underutilized and contain uses which are obsolete, dilapidated, substandard and blighted; that these land areas are substandard and blighted; and that, for the reasons stated, development of these areas to serve the economic needs of the City and the Commonwealth, especially the need of the people for beneficial and useful employment, cannot be obtained by private enterprise alone.

It is further found and declared that there exists in the City of Boston, the principal urban area of this commonwealth, a condition of substantial and persistent unemployment and under-employment which causes hardship to many individuals and families, increases the public assistance burdens of the City, Commonwealth, and the Nation, impairs the security of family life and adversely affects the people of the City and the Commonwealth; that this unemployment and under-employment has been caused in part by the movement of modern manufacturing facilities to new, more convenient and efficient facilities in other areas; and that further employment may be lost due to reductions in employment at the United States Naval Base in Charlestown; and that technological advanced and the provision of modern, efficient facilities in other states will speed the obsolescence and abandonment of existing facilities causing serious injury to the economy of the City and the Commonwealth.

It is further found and declared that there continues to exist in the City of Boston an insufficient supply of housing for persons

of low and moderate income; that there is a special need for adequate housing for those who will work in new industrial facilities; that Boston requires a substantial working population of persons who live in the City, so that the social, cultural, and economic life of the City will be maintained and enhanced; that, therefore, a balanced additional construction of low and moderate income housing is needed to accompany the creation of new industrial facilities.

It is further found and declared that substantial investment, public and private, is already taking place in certain areas of the inner harbor; that private investors have committed or will commit several hundreds of millions of dollars in construction of office buildings, apartment houses, motels and restaurants; and that this development demands a corresponding reclamation and redevelopment of substandard, blighted, and blighted open areas, with special attention to employment in manufacturing and related enterprises in order to attract further investment of a kind which will contribute to balanced and orderly growth, including additional employment opportunities for the people of the City of Boston.

It is further found and declared that the commonwealth is investing and will invest several hundreds of dollars constructing a campus of the University of Massachusetts at Columbia Point in Boston; that this development will have a profound impact upon the surrounding area; that the development of the inner harbor lands and economic development lands should be coordinated with the growth of the University of Massachusetts, and with the needs arising therefrom, including the provision of residential, commercial and recreational facilities, particularly those related to the needs of a large university campus, including public and private research and technological facilities and residences for faculty and students..

It is further found and declared that the City of Boston and Boston Harbor suffer from pollution of waters and air, including excessive noise; that all new development must be designed to prevent or minimize such pollution and noise, and that development, through an orderly and comprehensive plan, by a combination of public and private effort, can be effectively utilized to reduce present levels of pollution, by arrangements for new sewers and sewage treatment and other facilities, which plants can replace present inadequate systems or provide new facilities for both existing uses and new uses to be created; or which can serve as a stimulus to the reduction of water and air pollution by other public agencies and by private efforts.

It is further found and declared that the development of the Boston Harbor for recreational use and enjoyment requires the abatement of pollution of the waters and air of the harbor; that these requirements cannot be fulfilled without the promotion of a vigorous and growing economy and the prevention of economic stagnation in the City of Boston by the retention of existing industries and the attraction of new industries to the Boston inner

harbor lands and economic development lands, as defined in this act, that new and improved industrial, commercial, and residential development consistent with other uses of the harbor can and must be undertaken in order to alleviate social and economic problems in the City of Boston.

It is further found and declared that the said inner harbor lands and economic development lands which are now under-utilized, substandard and blighted, or blighted open areas, are a resource adapted to the next unified stage of the City of Boston's development, by offering blighted, substandard and blighted open land for industrial, commercial, residential and recreational or cultural development in units and projects that allow the fullest combined use of private enterprise and public resources in land assembly, land development and construction of facilities.

Therefore, it is hereby declared to be the policy of the commonwealth that certain islands in Boston Harbor should be immediately acquired by or transferred to an agency known as the Boston Harbor Conservation and Development Commission which shall thereafter hold and administer or transfer said lands in accordance with a comprehensive program to be approved by the legislature which shall provide for the realization of these objectives, prevent the creation or continuation of conditions to the detriment of the public, promote the sound growth of the community in order to eliminate substandard conditions and to prevent their recurrence, and to provide opportunities for recreation and conservation on the Outer Islands; and for intensive recreational development, limited residential development restricted to specified heights, and such educational, cultural, and commercial uses as are compatible with such recreational development on the Inner Islands; and that there should be created a corporate body politic known as the Boston Inner Harbor and Economic Development Corporation, which, through the issuance of bonds and notes to the private, investing public or other investors, by encouraging maximum participation by the private sector of the economy, including the sale or lease of the corporation's interest in projects at the earliest time deemed feasible, and through participating in programs undertaken by the commonwealth, its agencies and subdivisions, and by the Federal government, may provide or obtain the capital resources necessary to carry out the clearance, replanning, reconstruction and rehabilitation of the Inner Harbor Lands and Economic Development Lands in accordance with a comprehensive program for the realization of these objectives, and to prevent the creation or continuation of conditions to the detriment of the public, to promote the sound growth of the community in order to eliminate substandard and blighted conditions in the Boston Inner Harbor and to prevent their recurrence, to provide increased opportunities for employment, housing and recreation in order to alleviate the social and economic problems of the City of Boston and the urban metropolitan area, and to further the reduction and elimination of the pollution and befouling of the water and lands of Boston Harbor.

It is hereby further declared that the acquisition of such lands by eminent domain or otherwise, and the planning, clearance, conservation, improvement and rehabilitation of such lands, including the acquisition, construction, reconstruction, rehabilitation or improvements of industrial, manufacturing and commercial facilities, and of cultural and recreational facilities located or to be located thereon; and the provision of adequate safe and sanitary housing accommodations for persons and families of low and moderate income and such facilities as may be incidental or appurtenant thereto; and the disposition of such lands or interests therein by sale or lease in accordance with a comprehensive plan and under such restrictions as will protect the public interest for industrial, commercial, residential, governmental, recreational, educational, or other purposes, are declared to be public uses and purposes for which public money may be expended and the power of eminent domain exercised, and in support of which private property may be regulated by wholesome and reasonable orders, laws, and directions, and tax exemptions granted; and that the powers and duties of the Boston Inner Harbor and Economic Development Corporation as hereinafter prescribed are necessary and proper for the purpose of achieving the ends here recited.

SECTION 2-1: Accelerated Acquisition. Within the Department of Natural Resources there is hereby created the Boston Harbor Conservation and Development Commission, a body politic and corporate of the Commonwealth, hereinafter referred to as the acquiring agency. The acquiring agency, which shall not be subject to the supervision or control of the Department of Natural Resources except to the extent and in the manner provided in this act, is hereby constituted a public instrumentality and the exercise by it of the powers conferred by this act shall be deemed and held to be the performance of an essential governmental function.

The acquiring agency shall consist of nine members: the commissioner of natural resources; five members appointed by the governor from a panel of nine persons nominated by the mayor of Boston; and three other members appointed by the governor, two of whom shall be residents of one of the other communities bordering on Boston Harbor. Appointed members shall serve for a term of two years and be eligible for reappointment. The acquiring agency shall elect one of its members as chairman. The acquiring agency shall consult and cooperate with the agency responsible for development of the Boston Inner Harbor and with the planning agencies and other authorities of surrounding cities and towns, and with regional, state and federal agencies and boards having an interest in Boston Harbor and the surrounding region.

The acquiring agency is hereby authorized to acquire the fee or any lesser interest by gift, purchase or eminent domain under the provision of chapter seventy-nine or chapter eighty A of the General Laws for the purposes of recreation and conservation, including development for recreation on the outer islands, and development for intensive recreational use, including residential, cultural and commercial development compatible with and complementary to such recreational use on the inner islands, under a program described in Section 2-3 and 2-6, such islands or portions of islands privately owned as are hereinafter named and such other property as may be necessary or expedient therefore: Thompson, Spectacle, Peddocks, Gallops, Bumpkin, Greater Brewster, Middle Brewster, Outer Brewster, Calf, Little Calf, Green, Raccoon, Hangman, Grape, Slate, Sheep together with islets, rocks, and flats adjacent thereto, provided that existing private uses not inconsistent with the purposes of this chapter may be permitted to continue subject to periodic review.

Said acquiring agency is further authorized to acquire by gift or purchase any islands, islet, rocks, adjacent flat lands or portion thereof in Boston Harbor owned by any city or town or agency of the federal government.

SECTION 2-2: Tidelands License. -No license shall be issued under the provisions of chapter ninety-one for any tidelands bordering on or lands under Boston harbor without express legislative approval after the recommendations of the acquiring agency.

SECTION 2-3: Administration. -Lands acquired by or transferred to the acquiring agency shall be held and maintained for the purposes of this act under a program of maintenance and improvement pending the completion and approval of a comprehensive plan for the area, and the acquiring agency may expend such sums as may be appropriated therefor. Notwithstanding anything contained in the foregoing sentence, the acquiring agency may expend such sums as may be provided by Section 2-4 of this act for the development, redevelopment, construction and improvement of outdoor recreation areas and associated facilities on lands acquired or transferred to it under this act. As part of the program of maintenance and improvement under this section, and in conjunction with the comprehensive plan required in Section 2-2, the acquiring agency shall propose to the legislature methods of financing recreational and other development to be undertaken pursuant to the comprehensive plan, including whether the acquiring agency should be authorized and empowered to issue revenue bonds to finance portions of such development.

SECTION 2-4: Capital Outlay. -To meet the expenditures necessary in carrying out the provisions of this act, the state treasurer shall, upon request of the governor and council, issue and sell at public or private sale bonds of the commonwealth, registered or with interest coupons attached, as he may deem best, to an amount to be specified by the governor and council from time to time, but not exceeding in the aggregate the sum of three and one-half million dollars. All bonds issued by the commonwealth as aforesaid shall be designated on their face, Boston Harbor Islands Act of 1970, and shall be on the serial payment plan for such maximum term of years, not exceeding twenty years, as the governor may recommend to the General Court pursuant to section three of Article LXII of the Amendments to the Constitution of the Commonwealth, the maturities thereof to be so arranged that the amounts payable in the several years of the period of amortization other than the final year shall be as nearly equal as in the opinion of the state treasurer it is practicable to make them. Said bonds shall bear interest semi-annually at such rate as the state treasurer, with the approval of the governor, shall fix. The initial maturities of such bonds shall be payable not later than one year from the date of issue thereof, and the entire issue not later than June thirtieth, nineteen hundred and ninety-nine.

SECTION 2-5: Federal Funds. -The acquiring agency shall have authority to receive funds from agencies of the federal government and to contract with such agencies for the receipt of funds.

SECTION 2-6: Planning. -The acquiring agency shall prepare comprehensive plans to carry out the purposes of this act, which shall include proposals for: (1) conservation and public recreational uses of the outer islands, including publicly held islands; (2) intensive recreational uses of the inner islands, including publicly held islands, and limited residential, cultural or other development compatible with and complementary to such intensive recreational uses; (3) public access to the islands, including the feasibility of ferries and bridges; (4) measures to control water, air and noise pollution, especially proposals to ensure that the islands shall be fully utilized for the purposes of this act; and (5) the relationship of the islands and groups of islands to the communities on the shoreline and to the balanced use and development of the entire harbor, to the metropolitan region of which it is a part, and to the commonwealth. The acquiring agency may engage such consultants as are necessary, and shall submit the results of its investigation, study and planning to the legislature. The acquiring agency shall coordinate such comprehensive plans and proposals with those of the agency responsible for the Boston inner harbor, and shall cooperate with such agency in the development of general and comprehensive plans for the reclamation, conservation and development of Boston harbor (without limitation to the boundaries specified in section 2-9), its islands, waters and shoreline.

SECTION 2-7: Severability. -The provisions of this act are hereby declared to be severable and if any such provision or the application of such provision to any person or circumstances shall be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not be construed to affect the validity or constitutionality of any of the remaining provisions of said sections or the application of such provision to persons or circumstances other than those as to which it is held invalid. It is hereby declared to be the legislative intent that said sections would have been adopted had such invalid or unconstitutional provisions not been included therein.

SECTION 2-8: Powers of Other Agencies. -This act shall not be construed to limit the power or authority of any department, board or commission of the commonwealth or of any political subdivision thereof or any public authority except where expressly provided otherwise herein; provided, however, that in, under or bordering the Boston harbor no land on or bordering said area may be used as a dump or refuse disposal area, without the approval of the acquiring agency.

SECTION 2-9 : Definition of Area. -For the purposes of this act, Boston harbor shall be defined as that portion of the body of water shown on chart 246, 32d ed., Feb. 26, 1968, "Boston Harbor", U.S. Coast and Geodetic Survey, which lies to the west of a line beginning at the tower on Allerton Hill in Hull, thence running to the eastern most point on Outer Brewster Island, thence running to the Graves lighthouse, and which lies to the south of a line beginning at the Graves lighthouse, thence running to the most northwesterly point of Deer Island, thence running to the most northerly point of Spectacle Island, thence running to the monument on the northeasterly shore at Fort Independence, Castle Island, South Boston. This area includes Dorchester Bay, Quincy Bay, Hingham Bay, and Hull Bay.

SECTION 3-1: Definitions.

As used in this act, the following words and terms shall have the following meanings, unless the context indicates or requires another or different meaning or intent:

(a) "Corporation" means the Boston Inner Harbor and Economic Development Corporation created by this act, or any board, body, commission, department, or officer succeeding to the principal functions thereof or to whom the powers and duties conferred upon the Corporation by this act shall be given by law.

(b) "Subsidiary" means the Boston Economic Development Corporation created by this act.

(c) "Inner Harbor Lands" means lands on and near Boston Inner Harbor within the City of Boston which are substantially non-residential and which are blighted, deteriorated, substandard, or blighted open areas, or contain facilities which are obsolete, under-utilized and substandard contributing to the blighted and substandard conditions of the area or surrounding area, and which are suited to balanced development for industrial, land use improvement, residential, recreational and civic projects, or multi-purpose projects, in accordance with the comprehensive plan for the City of Boston, and which are designated as such inner harbor lands in this act, or by the mayor and council, pursuant to section 3-7 of this act, and after which designation the corporation or its subsidiary shall have power to initiate the aforementioned projects or multi-purpose projects thereon.

(d) "Economic Development Lands" means lands other than inner harbor lands in the City of Boston which are substantially non-residential and which are blighted, deteriorated, substandard or blighted open areas, or contain facilities which are obsolete, under-utilized and substandard contributing to the blighted and substandard conditions of the area or surrounding areas, which are suited to economic development and land use improvement projects in accordance with the comprehensive plans for the City of Boston, and which are designated as such lands by the mayor and council, after public hearings, pursuant to section 3-7 of this act, and after which designation the corporation or its subsidiary shall have power to initiate economic development and land use improvement projects thereon.

(e) "Boston Inner Harbor" means that part of the waters of Boston Harbor which lie north of a line running from the southerly edge of the easterly mouth of the Reserved Channel to the southernmost tip of Governors Island, as shown on chart 248, 25th ed., Feb. 17, 1969, "Boston Inner Harbor," United State Coast and Geodetic Survey.

(f) "Bonds" means any bonds, notes, interim certificates, debentures, or other obligation, issued by the commission pursuant to this act.

(g) "Project." A specific work or improvement including lands, buildings, improvements, real and personal properties or any interest therein acquired, owned, constructed, reconstructed, rehabilitated or improved by the corporation or any subsidiary thereof, including a residential project, an industrial project or a land use improvement project, all as defined herein, or any combination thereof, which combination shall hereinafter be called and known as a "multi-purpose project." The term "project" as used herein shall include projects, or any portion of a project.

(h) "Economic Development Project." A project or that portion of a multi-purpose project designed and intended for the purpose of providing facilities for manufacturing, warehousing, research, business or other industrial or commercial purposes, including but not limited to machinery and equipment deemed necessary for the operation thereof (excluding raw material, work in process or stock in trade).

(i) "Land Use Improvement Project." A plan or undertaking, for the clearance, replanning, reconstruction and rehabilitation or a combination of these and other methods, of a substandard and insanitary area and for recreational or other facilities incidental or appurtenant thereto pursuant to and in accordance with Article eighteen of the Constitution and this act. The terms "clearance, replanning, reconstruction and rehabilitation" shall include renewal, redevelopment, conservation, restoration or improvement or any combination thereof as well as the testing and reporting of methods and techniques for the arrest, prevention and elimination of slums and blight.

(j) "Residential Project." A project or that portion of a multi-purpose project designed and intended for the purpose of providing facilities for recreational purposes, including the provision of marinas, parks, playgrounds, restaurants and other facilities designed for or accessory to recreation uses.

(k) "Recreational Project." A project or that portion of a multi-purpose project designed and intended for the purpose of providing facilities for educational, cultural, community or other civic purposes.

(l) "Civic Project." A project or that portion of a multi-purpose project designed and intended for the purpose of providing facilities for educational, cultural, community, or other civic purposes.

(m) "Project Cost." The sum total of all costs incurred by the corporation in carrying out all works and undertakings which the corporation deems reasonable and necessary for the development of a project. These shall include but are not necessarily limited to the costs of all necessary studies, surveys, plans and specifications, architectural, engineering or other special services, acquisition of land and any buildings thereon, site preparation and development, construction, reconstruction, rehabilitation, improvement, and the acquisition of such machinery and equipment as may be deemed

necessary in connection therewith (other than raw materials, work in process or stock in trade); the necessary expenses incurred in connection with the initial occupancy of the project; an allocable portion of the administrative and operating expenses of the corporation; the cost of financing the project, including interest on bonds and notes issued by the corporation to finance the project from the date thereof to the date when the corporation shall determine that the project be deemed substantially occupied; and the cost of such other items, including any indemnity and surety bonds and premium on insurance, legal fees, fees and expenses of trustees, depositories and paying agents for the bonds and notes issued by the corporation; and relocation costs, all as the corporation shall deem necessary.

(n) "Real Property." Lands, structures, franchises and interests in land, including lands under water and riparian rights, space rights, and air rights and any and all other things and rights usually included within said term. Real property shall also mean and include any and all interests in such property less than full title, such as easements, incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way of judgments, mortgages or otherwise, and also all claims for damages for such real estate.

(o) "Substandard, Blighted or Blighted Open Area." The term "substandard, blighted or blighted open area" shall mean and be interchangeable with a slum, blighted, deteriorated or deteriorating area, or an area which has a blighting influence on the surrounding area, whether residential, non-residential, commercial, industrial, or vacant, or land in highways, waterways, railway and subway tracks and yards, bridge and tunnel approaches and entrances, or other similar facilities, over which air rights and easements or other rights of user necessary for the use and development of such air rights, to be developed as air rights sites for the elimination of the blighting influence, or any combination thereof and may include land, buildings or improvements, or air rights and concomitant easements or other rights of user necessary for the use and development of such air rights not in themselves substandard or blighted.

SECTION 3-2: Inner Harbor Lands; Economic Development Lands

(a) Inner Harbor Lands - Except as otherwise provided, the Corporation shall be authorized to carry out the purposes of this act within the following Inner Harbor Lands:

(1) In Charlestown: the Charlestown Navy Yard - Beginning at the point where Chelsea Street meets the Little Mystic Channel; thence running southerly along the northeast side of Chelsea Street to a point where it is intersected by the Mystic River Bridge; thence running along the northeast side of the Mystic River Bridge to a point where it is intersected by the off-ramp to Water Street; thence turning and running southeasterly along the north side of the off-ramp to a point where it intersects the northwest side of Water Street; thence crossing Water Street to a point where it intersects the Government Boundary Line defining the southeasterly boundary of the Navy Yard; thence running southeasterly along the Government Boundary Line until it intersects with the Commonwealth of Massachusetts Pierhead and Bulkhead Line; thence turning and running northeasterly and northerly along the Commonwealth of Massachusetts Pierhead and Bulkhead Line to the Government Boundary Line on the southeasterly side of Little Mystic Channel; thence turning and running westerly along the southeast side of the Little Mystic Channel to Chelsea Street, to the point of beginning.

(2) In the Boston Army Base Area; Beginning at the point where Dorchester Avenue crosses the southerly and easterly bank of Fort Point Channel; thence southerly along Dorchester Avenue to its junction with West Second Street; thence southerly and easterly along West Second Street to its junction with Dorchester Street; thence northerly and easterly along Dorchester Street to its junction with East Second Street; thence easterly along East Second Street to its junction with Summer Street; thence northerly and westerly along Summer Street to its intersection with the boundary of the U.S. Naval Reservation; thence along the inland boundary U.S. Naval Reservation to its intersection with the Pierhead Line; thence northerly and westerly along the Pierhead Line to the point of beginning.

(3) These lands lying on or near Boston Inner Harbor which the Mayor of Boston, subject to the approval of the City Council, designates as "Inner Harbor Lands" for the purposes of this act, upon petition of the Corporation, said lands shall be designated as inner harbor lands, only upon a finding that said lands meet the criteria of sections 1 and 3-1 (c) of this act, and only upon the hearings and other procedures required by sections 3-6 of this act.

(b) Industrial Lands - Those lands other than inner harbor lands in the City of Boston which the Mayor of Boston, subject to the approval of the City Council, designates as "Economic Development Lands" for the purposes of this act, upon petition of the Corporation. Said lands shall be designated as industrial lands only upon a finding by the mayor and city council that said lands meet the criteria of sections 1 and 3-1 (d) of this act, and only upon the hearings and other procedures required by section 3-6 of this act.

SECTION 3-3: Boston Inner Harbor and Economic Development Corporation

(1) There is hereby created the Boston Inner Harbor and Economic Development Corporation. The Corporation shall be a public body politic and corporate. Its membership shall consist of nine directors to be appointed by the Mayor of Boston. The Mayor shall designate the chairman, who shall serve at the pleasure of the Mayor. Appointed directors shall serve for four years, except that four of the directors first appointed shall serve for terms ending two years from January first next succeeding their appointment, and five shall serve for terms of four years from such date. Directors shall continue in office until their successors have been appointed and qualified. In the event of a vacancy occurring in the office of a director by death, resignation or otherwise, the Mayor shall appoint the president of the corporation, who shall be the chief executive officer of the corporation and who shall serve at the pleasure of the Mayor. Such president may be one of the directors appointed by the Mayor.

(2) The directors shall serve without salary, but each director shall be entitled to reimbursement for his actual and necessary expenses incurred in the performance of his official duties, and except in the case of Directors ex officio, and any director who serves as president of the corporation, a per diem allowance of 75 dollars when rendering services as such director, provided that the aggregate of such per diem allowance to any one director in any one fiscal year shall not exceed the sum of three thousand dollars. Anything to the contrary contained herein notwithstanding the president of the corporation shall be entitled to receive such salary as the directors may determine for his services as chief executive officer.

(3) The corporation and its corporate existence shall continue until terminated by law, provided, however, that no such law shall take effect so long as the corporation shall have bonds, notes and other obligations outstanding, unless adequate provision has been made for the payment thereof in the documents securing the same. Upon termination of the existence of the corporation, all its rights and properties shall pass to be vested in the state.

(4) A majority of the directors of the corporation then in office shall constitute a quorum for the transaction of any business or the exercise of any power of function of the corporation, except as otherwise provided hereof. The corporation may delegate to one or more of its directors, or its officers, agents, and employees, such powers and duties as it may deem proper.

SECTION 3-4: Powers of the Corporation

Except as otherwise limited by this act, the corporation shall have power:

- (1) To sue and be sued;
- (2) To have a seal and alter the same at pleasure;
- (3) To make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions under this act;
- (4) To make and alter by-laws for its organization and internal management and, subject to agreements with noteholders or bondholders, to make rules and regulations with respect to its projects, operations, properties and facilities;
- (5) To acquire, hold and dispose of personal property for its corporate purposes;
- (6) To appoint officers, agents and employees, prescribe their duties and qualifications and fix their compensation;
- (7) To acquire or contract to acquire from any person, firm, corporation, municipality, federal or state agency, by grant, purchase, condemnation, or otherwise, leaseholds, real, personal, or mixed property or any interest therein; to own, hold, clear, improve and rehabilitate, and to sell, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose of or encumber the same;
- (8) To acquire, construct, reconstruct, rehabilitate, improve, alter or repair or provide for the construction, reconstruction, improvement, alteration or repair of any project;
- (9) To arrange or contract with the City for the planning, re-planning, opening, grading or closing of streets, roads, roadways, alleys or other places, or for the furnishing of facilities or for the acquisition by the City of property or property rights or for the furnishing of property or services in connection with a project.
- (10) To sell, lease, assign, transfer, convey, exchange, mortgage, or otherwise dispose of or encumber any project, and in the case of the sale of any project, to accept a purchase money mortgage in connection therewith; and to lease, repurchase or otherwise acquire and hold any project which the corporation has theretofore sold, leased or otherwise conveyed, transferred or disposed of;
- (11) To grant options to purchase any project or to renew any leases entered into by it in connection with any of its projects, on such terms and conditions as it may deem advisable;
- (12) To prepare or cause to be prepared plans, specifications, designs,

and estimates of costs for the construction, reconstruction, rehabilitation, improvement, alteration or repair of any project, and from time to time to modify such plans, specifications, designs or estimates;

(13) To manage any project, whether then owned or leased by the corporation, and to enter into agreements with the state or the City or any agency or instrumentality thereof, or with any person, firm, partnership, or corporation, either public or private, for the purpose of causing any project to be managed.

(14) To provide advisory, consultative, training and educational services, technical assistance and advice to any person, firm, partnership or corporation, either public or private, in order to carry out the purposes of this act.

(15) Subject to the provisions of any contract with noteholders or bondholders, to consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, or any other term, of any mortgage, mortgage loan, mortgage loan commitment, contract or agreement of any kind to which the corporation is a party.

(16) In connection with any property on which it has made a mortgage loan, to foreclose on any such property or commence any action to protect or enforce any right conferred upon it by any law, mortgage, contract or other agreement, and to bid for and purchase such property at any foreclosure or at any other sale, or acquire or take possession of any such property; and in such event the corporation may complete, administer, pay the principal of and interest on any obligations incurred in connection with such property, dispose of, and otherwise deal with such property, in such manner as may be necessary or desirable to protect the interests of the corporation therein.

(17) To borrow money and to issue its negotiable bonds and notes and to provide for the rights of the holders thereof.

(18) As security for the payment of the principal of and interest on any bonds so issued and any agreements made in connection therewith, to mortgage and pledge any or all of its projects, whether then owned or thereafter acquired, and to pledge the revenues and receipts therefrom or from any thereof, and to assign or pledge the lease or leases on any portion or all of said projects and to assign or pledge the income received by virtue of said lease or leases.

(19) To invest any funds held in reserve or sinking funds, or any monies not required for immediate use or disbursement, at the discretion of the corporation, in obligations of the Commonwealth, or of the United States Government, or obligations the principal and interest of which are guaranteed by the state or the United States government.

(20) To procure insurance against any loss in connection with its property and other assets and operations in such amounts and from such insurance as it deems desirable.

(21) To engage the services of consultants on a contract basis for rendering professional and technical assistance and advice.

(22) To contract for and to accept any gifts or grants or loans of funds or property or financial or other aid in any form from the federal government or any agency or instrumentality thereof, or from the state or any agency or instrumentality thereof, or from any other source and to comply, subject to the provisions of this act, with the terms and conditions thereof.

(23) To do any and all things necessary or convenient to carry out its purposes and exercise the powers given and granted in this act.

SECTION 3-5: Subsidiary - Boston Economic Development Corporation

(a) There is hereby created a subsidiary corporation of the Boston Inner Harbor Economic Development Corporation to be known as the Boston Economic Development Corporation. Such subsidiary corporation shall have all the privileges, immunities, tax exemptions and other exemptions of the corporation except as otherwise provided herein. Its membership shall consist of seven directors as follows: four directors designated by the parent corporation; three directors appointed by the Mayor of Boston. The Mayor shall designate the chairman, who shall serve at the pleasure of the Mayor. Appointed directors shall serve for four years, except that four of the directors first appointed shall serve for terms ending two years from January first next succeeding their appointment, and three shall serve for terms to four years from such date. Directors shall continue in office until their successors have been appointed and qualified. In the event of a vacancy occurring in the office of a director by death, resignation, or otherwise, a successor shall be qualified in the same manner as was his predecessor. The directors shall appoint the president of the Corporation who shall be the chief executive officer of the Corporation, and who shall serve at the pleasure of the directors.

(b) With respect to economic development of land use improvement projects, in such lands as are designated inner harbor lands or economic development lands by this act, or by the mayor and council of Boston pursuant to section 3-2 and 3-6 of this act, the corporation may exercise and perform its powers and function through said subsidiary corporation.

(c) The corporation may transfer to the subsidiary corporation any monies, real or personal or mixed property or any project in order to carry out the purposes of this act. The subsidiary corporation shall have all the privileges, immunities, tax exemptions, and other exemptions of the corporation.

(d) The directors shall serve without salary, but each director shall be entitled to reimbursement for his actual and necessary expenses incurred in the performance of his official duties, and except in the case of Directors ex officio, and any director who serves as president of the subsidiary corporation, a per diem allowance of seventy-five dollars when rendering services as such director, provided that the aggregate of such per diem allowance to any one director in any one fiscal year shall not exceed the sum of three thousand dollars.

SECTION 3-6. DESIGNATION OF CERTAIN INNER HARBOR LANDS AND ECONOMIC DEVELOPMENT LANDS

(a) Before the Corporation shall petition the Mayor to designate lands as inner harbor lands or economic development lands, pursuant to Section three-three of this act: (1) the Corporation shall file a description and map of the lands proposed to be designated in its own offices and in the office of the city clerk, and shall provide copies thereof to the Mayor, the president of the City Council, and the chief executive officer of the planning agency of the City; (2) the Corporation shall publish a notice of the filing of such description and map and the availability thereof in at least one newspaper of general circulation within the City, which notice shall also state that a public hearing will be held to consider the proposed designation at a specified time and place on a date not less than thirty days after such publication; (3) the Corporation shall conduct a public hearing pursuant to such notice; and (4) any person shall have the opportunity to present written comments on the proposed designation within fifteen days after the public hearing.

(b) The Corporation may then present its petition, together with the reasons therefor, to the Mayor and City Council, who shall make the findings required by Section 3-2, if they approve and designate the lands described in said petition, or any portion thereof, as either inner harbor lands or economic development lands.

(c) Nothing in this section shall prevent the Mayor or the City Council from conducting further hearings on such proposed designation.

(d) Upon the designation of lands as inner harbor lands or economic development lands, the Corporation and its subsidiary shall have the powers conferred by this act with respect to said designated lands, provided, however, that with respect to lands designated economic development lands, the Corporation and its subsidiary are authorized to engage only in economic development projects and land use improvement projects.

SECTION 3-7. COOPERATION WITH THE COMMUNITY

- (a) In effectuating the purposes of this act, the Corporation shall work closely, consult and cooperate with elected officials and community leaders at the earliest practicable time. The Corporation shall give primary consideration to community needs and desires and shall foster community participation in the planning and development of its projects. Activities of the Corporation shall be coordinated with urban renewal and other community projects and with goals and policies expressed in urban renewal, community renewal and comprehensive land use plans and regional plans.
- (b) The Corporation shall coordinate its plans and projects with those of the agency responsible for the harbor islands, and shall consult and cooperate with such agency in the development of general and comprehensive plans and proposals for the reclamation, conservation and development of Boston Harbor, its islands, waters and shoreline.
- (c) The Corporation shall cooperate with the community in the following specific respects:
- (1) When a proposed project touches on existing neighborhoods or communities, the mayor shall appoint a community review board representing such community. If the review board approves or disapproves of a plan or project, it shall report its approval or disapproval to the mayor, together with the reasons therefore, and if the project is disapproved, it may be authorized only by a two-thirds vote of all of the Directors of the Corporation.
 - (2) The mayor shall appoint a general advisory board, representing the entire community, which board shall have the power to review, at the request of the mayor, each project of the corporation and shall report its approval or disapproval to the mayor, together with the reasons therefor. If the project is disapproved, it may be authorized only by a two-thirds vote of all the Directors of the Corporation.
 - (3) The mayor shall appoint a corporate advisory committee which shall function as an advisory board to the corporation and to the mayor concerning the operations of the corporation, with particular attention to reviewing and improving the methods by which the corporation initiates, conducts, and finances development projects.
 - (4) The Corporation shall advise the mayor of all projects and plans for projects, and the Corporation shall submit to the mayor semi-annual reports describing all plans and projects and the current state of planning and development. The Corporation shall furnish to the mayor, upon his request, all records and information concerning any or all of its functions.
- (d) The Corporation shall prepare general plans for the development of inner harbor lands and economic development lands and shall submit such plans to the mayor and to the city planning agency, which shall submit its findings and recommendations to the mayor concerning the relationship of such plans to the comprehensive plan for the development of the city.

SECTION 3-8. POLLUTION ABATEMENT AND CONTROL

(a) The Corporation shall investigate, or cause to be investigated, and shall prepare or cause to be prepared a comprehensive report on standards for water and air quality (including noise levels) required to be obtained in various parts of the Boston inner harbor lands and economic development lands, and shall include in said report the existing levels of water and air quality (including noise levels) in and near the different areas in which are located the Boston inner harbor and economic development lands. The Corporation shall also submit as a part of such comprehensive report, or as a separate report, a general plan for pollution abatement and control in the general region of Boston and Boston Harbor, including the abatement and control of excessive noise, and shall submit to the mayor its findings and recommendations for the abatement and control of such pollution.

(b) The Corporation shall coordinate its reports, plans, and projects for pollution abatement and control with those of the agency responsible for the harbor islands and shall cooperate with such agency in the development and the carrying out of such plans and projects.

(c) The Corporation shall establish for its own projects, and shall publish, general and specific standards and regulations, consistent with and not less strict than those established by federal, state, and regional pollution control agencies, designed to prevent pollution of the air or water or noise inconsistent with the full utilization and development of the harbor lands and waters. Such standards shall include the regulation of any discharges of fluids or solid wastes into the harbor waters, the dumping of solid materials or wastes and the use of sanitary land-fill, the discharge of smoke and other emissions into the air, and noise.

(d) The Corporation shall cooperate with agencies of the Commonwealth and with cities and towns, and with the Federal government in efforts to alleviate pollution in any part of Boston harbor, and in any other areas affecting the Corporation's projects. The Corporation shall combine with other agencies in efforts to abate and eliminate the pollution of Boston harbor, and where possible, it shall initiate such efforts.

SECTION 3- 9 . LAND USE IN THE BOSTON INNER HARBOR

The Corporation shall make or cause to be made a survey of land use of the lands bordering on or near the Boston Inner harbor, including lands managed by other public agencies, and shall submit to the mayor a comprehensive plan for the full utilization and development of such lands, including specific proposals for legislation to make possible full and coordinated development of the lands bordering on or near Boston Inner harbor. Such survey shall be especially directed to the use of such lands to obtain the fullest economic benefit therefrom consistent with comprehensive planning and housing, recreational and other uses, and the abatement and control of pollution, whether of the air or water, or noise. The Corporation shall make use of surveys done by other agencies, public and private, including studies done by or for the Boston Redevelopment Authority, and the Economic and Industrial Development Commission of the City of Boston. The survey shall be brought up to date every three years.

SECTION 3-10. ADMINISTRATION OF LANDS AND PROJECTS UNDER AGREEMENT
WITH THE CITY AND OTHER PUBLIC AGENCIES

The Corporation shall be authorized to make agreements with the City of Boston or with any other public agencies of the City or the Commonwealth owning or having interests in lands designated or eligible to be designated inner harbor lands or economic development lands, for the administration and development of such lands pursuant to the policies of this act and on such terms as shall be agreed upon, where the Corporation deems such agreements to be useful or appropriate for carrying out its duties under this act. Either prior to or subsequent to the execution of such agreement, or during the negotiations connected therewith, the mayor and council may designate such lands as inner harbor lands or economic development lands pursuant to the provisions of this act.

SECTION 3-11 . ACQUISITION OF REAL PROPERTY

- (a) The Corporation upon making a finding that it is necessary or convenient to acquire any real property in the Inner Harbor lands or Economic Development lands, as defined in this act, for its immediate or future use, may acquire such property in any lawful manner, including the exercise of eminent domain.
- (b) Prior to the commencement of any condemnation proceedings, the Corporation shall cause a survey and map to be made of the property to be condemned and file the same in its office.

SECTION 3-12. ACQUISITION OF REAL PROPERTY FROM THE CITY OF BOSTON AND PUBLIC AGENCIES

(a) Notwithstanding anything to the contrary contained in any law or charter, the City, its urban renewal agency or other agencies and public agencies of the Commonwealth may, in addition to employing any other lawful methods of utilizing or disposing of any real property and appurtenances thereto or any interest therein owned by the City or such agencies, sell, lease for a term not exceeding ninety-nine years, or otherwise dispose of any such real property and appurtenances thereto or any interest therein to the corporation for the effectuation of the purposes of this act, without public auction or sealed bids.

(b) Notwithstanding the provisions of any law or charter, the City is hereby empowered without referendum, public auction, or sealed bids, or public notice, to sell, lease for a term not exceeding ninety-nine years, grant or convey to the Corporation any real property owned by it which the Corporation shall certify to be necessary or convenient for its corporate purposes. Any such sale, lease, grant or conveyance shall be made upon such terms and conditions as may be agreed upon by the City and the Corporation.

SECTION 3-13. SALE OR LEASE OF PROJECTS

(a) **Economic Development Projects:** Notwithstanding the provisions of any law, subject to any agreement with noteholders or bondholders, the Corporation may sell or lease any economic development project, without public bidding or public sale, for such price or rental and upon such terms as may be agreed upon between the Corporation and such purchaser or lessee, either prior to, at the date of, or subsequent to the completion of the project by the Corporation, provided, however, that in the case of a lease, the term thereof shall not exceed ninety-nine years. Where such contract for sale or lease is entered into after the commencement of construction and prior to the physical completion of the improvement to be conveyed or leased, the Corporation may complete the construction and development of such improvement prior to the actual conveyance or lease.

(b) **Land Use Improvement Projects:** The Corporation may sell or lease for a term not exceeding ninety-nine years all or any portion of the real or personal property constituting a land use improvement project to any person, firm, partnership or corporation, either public or private, upon such terms and conditions as may be approved by the Corporation, whenever the Corporation shall find that such sale or lease is in conformity with a plan or undertaking for the clearance, replanning, reconstruction or rehabilitation of sub-standard and blighted or blighted open areas in the City. Such sale or lease may be made to any non-profit or limited dividend corporation which qualifies for federal assistance under the National Housing Act or to any person, firm, partnership or corporation, without public bidding or public sale, provided that there is published in at least one newspaper or general circulation in the city a notice which shall include a statement of the identity of the proposed purchaser or lessee and of his proposed use or reuse of the land use improvement project area or applicable portion thereof, the price or rental to be paid by such purchaser or lessee, all other essential conditions of such sale or lease, and a statement that a public hearing upon such sale or lease will be held before the corporation at a specified time and place on a date not less than ten days after such publication, and provided further that such public hearing is held in accordance with such notice.

(c) **Residential Projects:** The Corporation may sell or lease for a term not exceeding ninety-nine years a residential project only to any non-profit or limited dividend corporation which qualifies for federal assistance under the National Housing Act or to the City or its housing authority. It may enter into a contract for such sale or lease either prior to, at the date of, or subsequent to the completion of the project by the corporation. Where such contract for sale or lease is entered into after the commencement of construction and prior to the physical completion of the improvement to be conveyed or leased, the corporation may complete the construction and development of such improvement prior to the actual conveyance or lease. Any such sale or lease pursuant to this sub-section may be made without public bidding, public sale or public notice, pursuant to such negotiated contract, agreement or lease and containing such provisions, limitations, requirements, terms and conditions, as the corporation, within its discretion, may determine to be necessary or desirable.

(d) Recreational Projects: Subject to any agreement with noteholders or bondholders, the Corporation may sell or lease for a term not exceeding ninety-nine years any recreational project to the Commonwealth or any agency or instrumentality thereof, or to the city or any agency or instrumentality thereof. Any such sale or lease pursuant to this sub-section may be made without public bidding, public sale or public notice upon such terms and conditions as the Corporation, within its discretion may determine to be necessary or desirable. The Corporation may enter into contract for a sale or lease as authorized by this sub-section either prior to, at the date of, or subsequent to the completion of the project by the Corporation. Where such contract for sale or lease is entered into after the commencement of construction and prior to the physical completion of the improvement to be sold or leased, the Corporation may complete the construction and development of such improvement prior to the actual conveyance or lease.

The Corporation may, however, make contractual arrangements or leases, for not more than a term of ten years' duration, for the operation or management of recreational facilities provided for the use and enjoyment of the public, such as marinas, eating places, fishing areas and similar facilities.

(e) Civic Projects: Subject to any agreement with noteholders or bondholders, the Corporation may sell or lease for a term not exceeding ninety-nine years, any civic project to the Commonwealth or any agency or instrumentality thereof, to the city or any agency or instrumentality thereof, or to any public benefit corporation. Any such sale or lease pursuant to subdivision one of this section may be made without public bidding, public sale or public notice, upon such terms and conditions as the corporation, within its discretion, may determine to be necessary or desirable. The Corporation may enter into a contract for a sale or lease as authorized by this section either prior to, at the date of, or subsequent to the completion of the project by the Corporation. Where such contract for sale or lease is entered into after the commencement of construction and prior to the physical completion of the improvement to be sold or leased, the Corporation may complete the construction and development of such improvement prior to the actual conveyance or lease.

SECTION 3-14. THE BONDS AND NOTES OF THE CORPORATION

- (a) The Corporation shall have the power and is hereby authorized from time to time to issue its negotiable bonds and notes in such principal amounts, as, in the opinion of the Corporation, shall be necessary to provide sufficient funds for achieving any of its corporate purposes, including the payment of interest on bonds and notes of the Corporation, establishment of reserves to secure such bonds and notes, and all other expenditures of the Corporation incident to and necessary or convenient to carry out its corporate purposes and powers.
- (b) The full faith and credit of the Commonwealth is pledged to the payment of bonds and notes issued by the Corporation up to the amount authorized by this act.
- (c) All bonds and notes issued by the Corporation shall be payable out of the revenues and receipts derived from the lease, mortgage or sale by the Corporation of its projects or of any portion thereof, all as may be designated in the proceedings of the Corporation under which the bonds or notes shall be authorized to be issued. Bonds and notes may be executed and delivered by the Corporation at any time and from time to time, may be in such form and denominations and of such tenor and maturities, may be in bearer form or in registered form, as to principal and interest or as to principal alone, all as the Corporation may determine.
- (d) Bonds may be payable in such installments and at such time or times not exceeding fifty years from the date thereof, as shall be determined by the Corporation.
- (e) Notes, or any renewals thereof, may be payable in such installments and at such time or times as shall be determined by the Corporation, not exceeding ten years from the date of the original issue of such notes.
- (f) Bonds and notes may be payable at such place or places whether within or without the Commonwealth, may bear interest at such rate or rates payable at such time or times and at such place or places and evidenced in such manner, and may contain such provisions not inconsistent herewith, all as shall be provided in the proceedings of the Corporation under which the bonds or notes shall be authorized to be issued.
- (g) If deemed advisable by the Corporation, there may be retained in the proceedings under which any bonds or notes of the Corporation are authorized to be issued an option to redeem all or any part thereof as may be specified in such proceedings, at such price or prices and after such notice or notices and on such terms and conditions as may be set forth in such proceedings and as may be recited in the face of the bonds or notes, but nothing herein contained shall be construed to confer on the Corporation any right or option to redeem any bonds or notes except as may be provided in the proceedings under which they shall be issued.
- (h) Any bonds or notes of the Corporation may be sold at such price or prices, at public or private sale, in such manner and from time to time as may be determined by the Corporation, and the Corporation may pay all expenses, premiums and commissions which it may deem necessary or advantageous in connection with the issuance and sale thereof.

(i) Any monies of the Corporation, including proceeds from the sale of any bonds or notes, and revenues, receipts, and income from any of its projects or mortgages, may be invested and reinvested in such obligations, securities and other investments as shall be provided in the resolution or resolutions under which such bonds or notes are authorized.

(j) Issuance by the Corporation of one or more series of bonds or notes for one or more purposes shall not preclude it from issuing other bonds or notes in connection with the same project or any other project, but the proceedings whereunder any subsequent bonds or notes may be issued shall recognize and protect any prior pledge or mortgage made for any prior issue of bonds or notes unless in the proceedings authorizing such prior issue the right is reserved to issue subsequent bonds or notes on a parity with such prior issue.

(k) The Corporation is authorized to provide for the issuance of its bonds or notes for the purpose of refunding any bonds or notes of the Corporation then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase or maturity of such bonds or notes, and if deemed advisable by the Corporation, for the additional purpose of paying all or any part of the cost of acquiring, constructing, reconstructing, rehabilitating, or improving any project, or the making of any mortgage loan on any project. The proceeds of any such bonds or notes issued for the purpose of refunding outstanding bonds or notes, may, in the discretion of the Corporation, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds or notes either on their earliest or any subsequent redemption date, and may, pending such application, be placed in escrow to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the Corporation. Any such escrowed proceeds, pending such use, may be invested and reinvested in obligations of or guaranteed by the United States of America, or in certificates of deposit or time deposits secured in such manner as the Corporation shall determine, maturing at such time or times as shall be appropriate to assure the prompt payment, as to principal, interest and redemption premium, if any, on the outstanding bonds or notes to be so refunded. The interest, income and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding bonds or notes to be so refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of such proceeds and interest, income and profits, if any, earned or realized on the investments thereof may be returned to the Corporation for use by it in any lawful manner. The portion of the proceeds of any such bonds or notes issued for the additional purpose of paying all or any part of the cost of acquiring, constructing, reconstructing, rehabilitating, or improving any project, or the making of any mortgage loan on any project, may be invested and reinvested in obligations of or guaranteed by the United States of America, maturing not later than the time or times when such proceeds will be needed for the purpose of paying all or any part of such cost, or the making of any such mortgage loan. The interest, income and profits, if any, earned or realized on such investments may be applied to the payment of all or any part of such cost, or the making of

any such mortgage loan, or may be used by the Corporation in any lawful manner. All such bonds or notes shall be issued and secured and shall be subject to the provisions of this act in the same manner and to the same extent as any other bonds or notes issued pursuant to this act.



SECTION 3-15. BOND AUTHORIZATION

The Corporation shall not issue bonds and notes in aggregate principal amount exceeding seventy-five million dollars, excluding bonds and notes issued to refund outstanding bonds and notes.

SECTION 3-16. SECURITY FOR BONDS OR NOTES: CONSTRUCTION AND ACQUISITION OF PROJECTS

- (a) The principal of and interest on any bonds or notes issued by the Corporation may be secured by a pledge of any revenues and receipts of the Corporation and may be secured by a mortgage or other instrument covering all or any part of a project, including any additions, improvements, extensions to or enlargements of any projects thereafter made.
- (b) Bonds or notes issued for the acquisition, construction, reconstruction, rehabilitation, or improvement of a project may also be secured by an assignment of any lease of or mortgage on such project and by an assignment of the revenues and receipts derived by the Corporation from any such lease or mortgage.
- (c) The resolution under which the bonds or notes are authorized to be issued and any such mortgage, lease or other instrument may contain agreements and provisions respecting the maintenance of the projects covered thereby, the fixing and collection of rents or other revenues therefrom including monies received in repayment of mortgage loans, and interest thereon, the creation and maintenance of special funds from such rents or other revenues and the rights and remedies available in the event of default, all as the Corporation shall deem advisable.
- (d) Each pledge, agreement, mortgage or other instrument made for the benefit or security of any of the bonds or notes of the Corporation shall continue effective until the principal of and interest on the bonds or notes for the benefit of which the same were made shall have been fully paid, or until provision shall have been made for such payment in the manner provided in the resolution or resolutions under which the same may be authorized.
- (e) The Corporation may provide in any proceedings under which bonds or notes may be authorized that any project or part thereof may be constructed, reconstructed, rehabilitated or improved by the Corporation, any subsidiary, or any lessee or any designee of the Corporation, and may also provide in such proceedings for the time and manner of and requisites for disbursements to be made for the cost of such construction, and for all such certificates and approvals of construction and disbursements as the Corporation shall deem necessary and provide for in such proceedings.

(f) Any resolution or resolutions or trust indenture or indentures under which bonds or notes of the Corporation are authorized to be issued may contain provisions for vesting in a trustee or trustees such properties, rights, powers and duties in trust as the Corporation may determine which may include any or all of the rights, powers and duties of the trustee appointed by the holders of any issue of notes or bonds pursuant to Section 3-21 of this act, in which event the provisions of said Section 3-21 authorizing the appointment of a trustee by such holders of bonds or notes shall not apply.



SECTION 3-17. RESERVE FUNDS

(a) The Corporation may create and establish one or more reserve funds to be known as debt service reserve funds and may pay into such reserve funds (1) any monies appropriate and made available by the Commonwealth or the City for the purposes of such funds; (2) any proceeds of sale of bonds and notes to the extent provided in the resolution of the Corporation authorizing the issuance thereof; and (3) any other monies which may be made available to the Corporation for the purposes of such funds from any other source or sources. The moneys held in or credited to any debt service reserve funds established under this subdivision, except as hereinafter provided, shall be used solely for the payment of the principal of bonds of the Corporation secured by such reserve fund, as the same mature, the purchase of such bonds of the corporation, the payment of interest on such bonds of the corporation or the payment of any redemption premium required to be paid when such bonds are redeemed prior to maturity; provided, however, that moneys in any such fund shall not be withdrawn therefrom at any time in such amount of principal and interest maturing and becoming due in any succeeding calendar year on the bonds of the corporation secured by such reserve fund maturing and becoming due and for the payment of which other moneys of the Corporation are not available. Any income or interest earned by, or increment to, any such debt service reserve fund due to the investment thereof may be transferred to any other fund or account of the Corporation to the extent it does not reduce the amount of such debt service reserve funds below the maximum amount of principal and interest maturing and becoming due in any succeeding calendar year on all bonds of the Corporation then outstanding and secured by such reserve fund.

(b) With respect to any project, the corporation may create and establish a special fund to be known as the project reserve fund and deposit therein (1) any moneys appropriated and made available by the Commonwealth or the city for the purposes of such fund, (2) such amount as may be determined by the corporation in connection with any lease by the corporation to others to be charged to such lessee for deposit in such funds, and (3) any other moneys which may be made available to the corporation for the purpose of such fund from any other source or sources. All moneys held in or credited to any project reserve fund shall be first used for the payment of the principal of and interest on the bonds or notes of the corporation issued for the project secured by such project reserve funds in the event that other moneys of the corporation, other than moneys held in the debt service reserve fund, are not available for such purposes. Upon the retirement of the bonds or notes of the corporation issued for the project secured by such project reserve fund, moneys so held in such fund may be used by the corporation for any lawful purpose.



SECTION 3-18. TRUST FUNDS

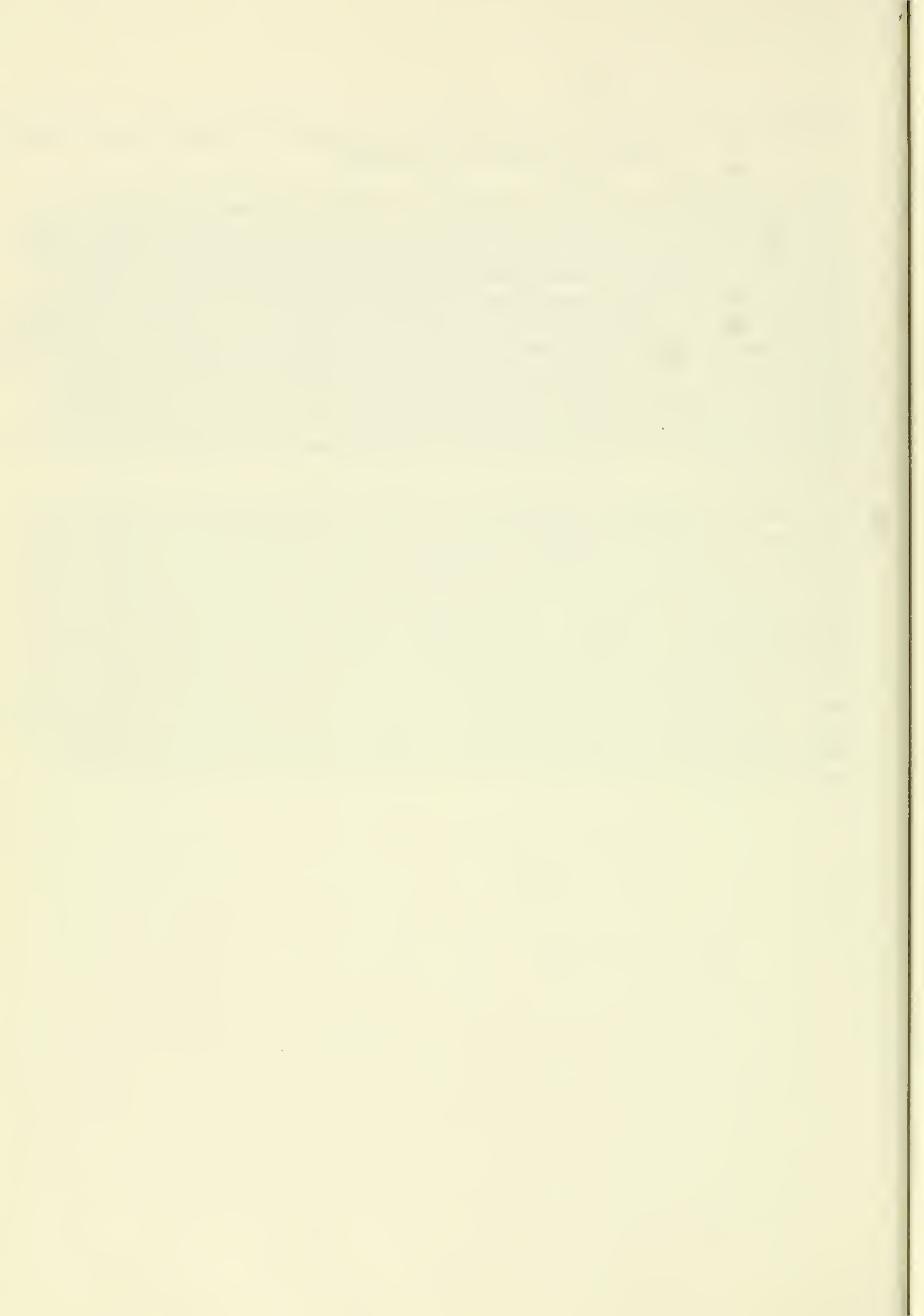
All monies received pursuant to the authority of this act, whether as proceeds from the sale of bonds or notes or as revenues, receipts or income, shall be deemed to be trust funds to be held and applied solely as provided in the proceedings under which such bonds or notes are authorized. Any officer with whom or any bank or trust company with which such monies shall be deposited as trustee thereof shall hold and apply the same for the purposes thereof, subject to such provisions as this act and the proceedings authorizing the bonds or notes or any issue or the trust agreement securing such bonds or notes may provide.



SECTION 3-19. EXEMPTION FROM TAXATION; PAYMENTS IN LIEU OF REAL PROPERTY TAXES WHEN PROJECTS ARE LEASED

(a) The exercise of the powers granted by this act will be in all respects for the benefit of the people of this Commonwealth for the increase of their commerce, welfare and prosperity, and for the improvement of their health and living conditions, and will constitute the performance of an essential governmental function and the Corporation shall not be required to pay any taxes, other than assessments for local improvements, upon or in respect of a project or of any property or monies of the Corporation levied by the City or any political subdivision of the Commonwealth, nor shall the Corporation or its subsidiaries be required to pay the state taxes of any kind, and the Corporation, its projects, property and monies and, except for estate and gift taxes and taxes on transfers, any bonds or notes issued under the provisions of this act and the income therefrom, shall at all times be free from taxation of every kind by the Commonwealth and by the cities and towns and all other political subdivisions of the Commonwealth.

(b) Whenever the Corporation shall lease any project or portion thereof to any person, firm or corporation, which, if it were to take as owner instead of lessee would be subject to the payment of taxes on real property, or whenever the Corporation leases any project to another public agency, which agency shall lease the project or portion thereof to any person, firm or corporation which, if it were to take as owner instead of as lessee would be subject to the payment of taxes on real property, the Corporation shall pay to the City and to any other political subdivision of the Commonwealth having power to levy taxes on real property in the area where such projects or portions thereof are located, any annual payment in lieu of such taxes. Such payments shall be in an amount equivalent to the taxes which would be payable based upon the assessed value of the project or portion thereof multiplied by that fraction, part, or portion thereof leased by the lessee, including the lessee's proportionate share of common facilities.



SECTION 3 - 20. AGREEMENT WITH THE COMMONWEALTH

(a) The Commonwealth does hereby pledge to and agree with the holders of any bonds or notes issued under this act, that the Commonwealth will not limit or alter the rights hereby vested in the Corporation to fulfill the terms of any agreements made with the holders thereof, or in any way impair the rights and remedies of such holders until such bonds or notes, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged. The Corporation is authorized to include this pledge and agreement of the Commonwealth in any agreement with the holders of such bonds or notes.

(b) Nothing in this section shall prevent the Corporation from making the payment in lieu of taxes provided for in Section 3-19. .

SECTION 3-21 . REMEDIES OF NOTEHOLDERS AND BONDHOLDERS

(a) In the event that the Corporation shall default in the payment of principal or interest on any issue of notes or bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the Corporation shall fail or refuse to comply with the provisions of this act, or shall default in any agreement made with the holders of any issue of notes or bonds, the holders of twenty-five per centum in aggregate principal amount of the notes or bonds of such issue then outstanding, by instrument or instruments filed in the office of the clerk of the City of Boston and approved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such notes or bonds for the purposes herein provided.

(b) Such trustee may, and upon written request of the holders of twenty-five per centum in principal amount of such notes or bonds then outstanding shall, in his or its own name:

(1) by suit, action, or proceeding, enforce all rights of the noteholders or bondholders, to require the Corporation to carry out any other agreements with the holders of such notes or bonds and to perform its duties under this act;

(2) bring suit upon such notes or bonds;

(3) by action or suit, require the Corporation to account as if it were the trustee of an express trust for the holders of such notes or bonds;

(4) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such notes or bonds;

(5) declare all such notes or bonds due and payable, and if all defaults shall be made good, then, with the consent of the holders of twenty-five per centum of the principal amount of such notes or bonds then outstanding, to annul such declaration and its consequences.

(c) Such trustee shall in addition to the foregoing have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders of noteholders in the enforcement and protection of their rights.

(d) Before declaring the principal of notes or bonds due and payable, the trustee shall first give thirty days notice in writing to the governor, to the Corporation, and to the attorney general of the Commonwealth.

SECTION 3-22. APPROPRIATIONS

There is hereby appropriated the sum of two hundred thousand dollars to be expended by the Corporation to carry out the purposes of this act. The City of Boston is authorized to appropriate such sums as may be necessary and convenient to assist the Corporation in carrying out the purposes of this act.

SECTION 3-23. CONSTRUCTION

This act, being necessary for the welfare of the Commonwealth and its inhabitants, shall be liberally construed so as to effectuate its purposes.

SECTION 3-24. SEPARABILITY

If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause sentence, paragraph , section, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

ACCOPRESS®

28071	BLACK
28072	LIGHT BLUE
28073	DARK BLUE
28074	LIGHT GRAY
28075	LIGHT GREEN
28076	DARK GREEN
28077	TANGEE
28078	RED
28079	EXECUTIVE RED
28080	YELLOW

Genuine Pressboard

ACCOPRESS INTERNATIONAL, INC.
CHICAGO, ILLINOIS 60610

